

**REMARKS**

Presently, claims 117-199 are pending in the application.

***Claim Rejections – 35 U.S.C. §103(a)***

The Examiner has rejected claims 117-119, 122-124, 127-138, 143-144, 146-151, 153-156, 159-165, 167-171 and 192 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,652,615 to Bryant (“Bryant”) in view of U.S. Patent No. 6,546,555 to Hjelsvold (“Hjelsvold”). The Examiner contends that Bryant in combination with Hjelsvold teaches all elements of these claims. In particular, the Examiner acknowledges that Bryant does not clearly disclose “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup”, but contends that Hjelsvold teaches this missing element, and concludes that it would have been obvious to modify the Bryant with the teachings of Hjelsvold to result in Applicants’ claimed invention. Applicants respectfully traverse this rejection.

Independent claim 117 recites (with emphasis added):

A method for presenting targeted advertisements in a telecom system, the method comprising:

forming a group for the reception of signals for the telecom system;

forming a plurality of subgroups for the group;

assigning a subgroup address to each subgroup;

receiving a program stream;

selecting one or more targeted advertisements for a first subgroup;

assigning an advertisement identifier to each of the targeted advertisements;

creating a relationship between the subgroup address and the one or more advertising identifiers; and

transmitting the program stream and the targeted advertisements selected for the first subgroup to the first subgroup, wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.

When making a rejection under 35 U.S.C. § 103, the Examiner has the burden of establishing a *prima facie* case of obviousness. In *KSR*, the Court stated that it was “important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art] elements” in the manner claimed. *KSR Int’l Co. v. Teleflex Inc.* 127 S. Ct. 1727 (U.S. 2007). It is important to determine whether there was an “apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *See KSR*. The Court noted, “[t]o facilitate review, this analysis should be made explicit.” *See KSR*. Therefore, the Examiner must identify the reason why a person of ordinary skill in the art would have combined the prior art elements in the manner claimed: “Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *KSR, citing In re Kahn*, 441 F. 3d 977, 988 (CA Fed. 2006).

Neither Bryant nor Hjelsvold explicitly or inherently contains a suggestion to make such a combination, nor has the Examiner pointed to any such teaching why it would be apparent to one skilled in the art to make such a combination. Furthermore, it would not make sense to one skilled in the art to combine Hjelsvold with Bryant, as the Examiner suggests. More specifically, Bryant discloses a system for delivery of composite programs to targeted audiences, while Hjelsvold discloses a system for selling digital video information to a customer. The system of Hjelsvold inherently contains two-way (bi-directional) communication between a customer and a merchant. For example, “a video information customer may establish a network connection to a merchant to browse or search a catalogue of available video information” (column 2, line 66 – column 3 line 2). Bryant, however, teaches that “interactive program distribution requires two-way (duplex) communication on the network. Duplex communication ... generally uses more complex and expensive equipment...It is desired to precisely broadcast program signals...without unduly increasing the complexity of extant broadcast networks”

(column 2, lines 5-13). Accordingly, common sense would dictate that one of ordinary skill in the art would not to look to Hjelsvold to solve a problem not present in Bryant, nor to add unnecessary elements not required by Bryant. Stated differently, in essence, Bryant teaches away from Hjelsvold, since Bryant expressly teaches against using a duplex communication, such as that taught by Hjelsvold, since two-way communication is unduly complex and burdensome. The Examiner has thus ignored the “Basic Considerations Which Apply to Obviousness Rejections,” that instruct the Examiner that “[t]he references must be considered as a whole and must suggest the desirability and thus the obviousness of making the combination,” (see MPEP 2141). Further, MPEP 2141.02 instructs that “A prior art reference must be considered in its entirety, i.e., as a whole, including portions that would lead away from the claimed invention.” In view of the foregoing, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper.

Moreover, if the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. *See In re Ratti*, 270 F.2d 810, 123 U.S.P.Q. 349 (C.C.P.A. 1959); MPEP § 2143.01. The combination of Bryant and Hjelsvold would substantially alter the method of operation of Bryant for the reasons identified in the previous paragraph with respect to Bryant teaching away from duplex communication and the necessity of such communication in Hjelsvold. Thus Hjelsvold would change the principle of operation of Bryant, rendering the two references not properly combinable.

Additionally, the prior art references, when combined, must teach or suggest all of the claim limitations. *See* MPEP 2143. However, even if one were to combine the teachings of Bryant and Hjelsvold, the resulting system would still not teach or suggest a system as claimed by Applicants.

The Examiner concedes that Bryant does not disclose transmitting the program stream and the targeted advertisements selected for the first subgroup to the first subgroup such that “the first subgroup does not receive targeted advertisements

corresponding to any other subgroup,” as recited in independent claim 117. Instead, Bryant teaches a system that distributes a single composite program, containing a base program segment and a fill program segment. Multiple targeted advertisements are included in each fill program segment (see Figs. 3, 6, and 8 of Bryant), with each advertisement in a particular fill segment being selected for a different target audience. Fig. 8 of Bryant demonstrates distribution of a single composite program containing multiple sets of targeted advertisements within a single fill segment. In Fig. 8, the same composite program is delivered to different subscriber groups, where the set-top box selects the appropriate advertisement within the fill segment for presentation to the subscriber. In other words, the households containing STB 832 and STB 833 in Bryant, both receive the same composite program containing multiple sets of targeted advertisements selected for different subscribers from the street box or cable head-end. The set-top box at each respective household determines which of the received targeted advertisements to display. Thus, Bryant alone does not teach or suggest that “the first subgroup does not receive targeted advertisements corresponding to any other subgroup.”

Furthermore, Hjelsvold alone does not teach or suggest that “the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” While Hjelsvold does disclose that “the version selected by the customer might allow for automatic insertion of promotional video sequences in the regular sequences” (column 8, lines 56 – 58), Hjelsvold is silent with respect to the type of customer group/subgroups and the sort of targeted advertising that might be selected. At best, Hjelsvold discloses that the “merchant may statistically define which promotional video sequences... are to be inserted into the different hypervideo” (column 12, lines 22 – 24), or that “an off the self software package for advertisement selection could be used” (column 12, lines 27 – 28). However, neither of these teachings explicitly state or even suggest that “the first subgroup does not receive targeted advertisements corresponding to any other subgroup,” as recited in independent claim 117.

The Examiner contends that modifying Bryant with the teachings of Hjelsvold would result in the system of claim 117, since “Hjelsvold discloses groups/subgroups do not receive the same additional video data from the same program stream” (Office

Action, Page 3). Applicants respectfully disagree with the Examiner. While the system of Hjelsvold does teach a streaming system that allows a customer to purchase different versions of a video (see Fig. 15, for example), neither Hjelsvold nor Bryant have any provision for an exclusive delivery of a specific program stream to a subgroup such that “the first subgroup does not receive targeted advertisements corresponding to any other subgroup”. In fact, Hjelsvold teaches away from an exclusive delivery of video content since “no file will be copied if it already stored in the streaming server, for instance, due to a previous request for the same version of the video” (column 9, lines 1 – 3). In Hjelsvold’s system, two customers can choose to order the identical video content. If these customers were in different groups according to the teaching of Bryant, there is no mechanism in the system of Hjelsvold that would block the customers from receiving the same program stream.

Since Bryant and Hjelsvold, taken alone or in combination, do not teach or suggest all elements of independent claim 117, independent claim 117 is believed to be allowable. Dependent claims 118-119, 122-124, 127-138, 143-144, 146-148 are allowable at least by their dependency on independent claim 117.

Independent claim 149 recites “wherein the targeted advertisements in the first presentation stream correspond to the first subgroup.” For the same reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and does not teach or suggest all features of independent claim 149. Accordingly, independent claim 149 is believed to be allowable over the combination of Bryant and Hjelsvold. Dependent claims 150, 151, 154-156, 159-164 are allowable at least by their dependency on independent claim 149.

Independent claim 153 recites “wherein the targeted advertisements in the first presentation stream correspond only to the first subgroup.” For the same reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and does not teach or suggest all features of independent claim 153. Accordingly, independent claim 153 is believed to be allowable over the combination of Bryant and Hjelsvold.

Independent claim 165 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For the same reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and does not teach or suggest all features of independent claim 165. Accordingly, independent claim 165 is believed to be allowable over the combination of Bryant and Hjelsvold. Dependent claims 167-171 are allowable at least by their dependency on independent claim 165.

Independent claim 192 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup”, and “wherein the second subgroup does not receive targeted advertisements corresponding to any other subgroup.” For the same reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and does not teach or suggest all features of independent claim 192. Accordingly, independent claim 192 is believed to be allowable over the combination of Bryant and Hjelsvold.

Reconsideration and withdrawal of the Examiner’s rejection of claims 117-119, 122-124, 127-138, 143-144, 146-151, 153-156, 159-165, 167-171 and 192 are respectfully requested.

The Examiner has rejected claims 120, 121, 152, 166, 175-176, and 197 as being unpatentable over Bryant in view of Hjelsvold and in further view of U.S. Patent No. 6,078,954 to Lakey (“Lakey”). Applicants respectfully traverse this rejection.

Applicants assert that the combinability of Lakey with Bryant and Hjelsvold is improper for similar reasons discussed above with respect to Bryant and Hjelsvold. Additionally, as discussed above, independent claim 117 is believed to be allowable over the combination of Bryant and Hjelsvold. Applicants respectfully submit that Lakey does not teach or suggest the feature(s) missing from this combination. Accordingly, independent claim 117 is believed to be allowable over the proposed combination of Bryant, Hjelsvold and Lakey.. Dependent claims 120, 152 and 166 are allowable at least by their dependency on independent claim 117.

Independent claim 121 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Lakey is improper and does not teach or suggest all features of independent claim 121. Accordingly, independent claim 121 is believed to be allowable over the combination of Bryant, Hjelsvold, and Lakey.

Independent claim 175 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup” and “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and the combination of Bryant, Hjelsvold, and Lakey does not teach or suggest all features of independent claim 175. Accordingly, independent claim 175 is believed to be allowable over the combination of Bryant, Hjelsvold, and Lakey. Dependent claim 176 is allowable at least by its dependency on independent claim 175.

Independent claim 197 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup” and “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above with respect to independent claim 117, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Lakey is improper and does not teach or suggest all features of independent claim 197. Accordingly, independent claim 197 is believed to be allowable over the combination of Bryant, Hjelsvold, and Lakey. Reconsideration and withdrawal of the Examiner’s rejection of claims 120, 121, 152, 166, 175-176, and 197 are respectfully requested.

The Examiner has rejected claims 125, 126, 157, 158 as being unpatentable over Bryant in view of Hjelsvold and in further view of U.S. Patent No. 5,446,919 to Wilkins (“Wilkins”). Applicants respectfully traverse this rejection.

For the same reasons discussed above, Applicants respectfully submit that independent claims 117 and 149 are allowable over the combination of Bryant and Hjelsvold. Applicants respectfully submit that Wilkins does not teach or suggest the feature(s) missing from this combination. Accordingly, independent claims 117 and 149 are believed to be allowable over the proposed combination of Bryant, Hjelsvold and Wilkins. Accordingly, dependent claim 125, 126, 157, and 158 is believed to be allowable over the combination of Bryant, Hjelsvold and Wilkins at least by their dependency on independent claims 117 and 149, respectively. Reconsideration and withdrawal of the Examiner's rejection of claims 125, 126, 157, 158 are respectfully requested.

The Examiner has rejected claims 120, 121, 139-142, 145, 152, 153, 166, 172-191, and 193-199 as being unpatentable over Bryant in view of Hjelsvold and in further view of U.S. Patent No. 6,078,954 to Monteiro ("Monteiro"). Applicants respectfully traverse this rejection.

Applicants assert that the combinability of Monteiro with Bryant and Hjelsvold is improper for similar reasons discussed above with respect to Bryant and Hjelsvold.

Additionally, as discussed above, independent claims 117, 145 and 153 are believed to be allowable over the combination of Bryant and Hjelsvold. Applicants respectfully submit that Monteiro does not teach or suggest the feature(s) missing from this combination. Accordingly, independent claims 117, 145 and 153 are believed to be allowable over the proposed combination of Bryant, Hjelsvold and Monteiro.

Independent claim 121 recites, "wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup." For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Monteiro is improper and does not teach or suggest all features of independent claim 121. Accordingly, independent claim 121 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.



Independent claim 141 recites, “selecting one or more targeted advertisements for a first subgroup; and transmitting the program stream and only the targeted advertisements selected for the first subgroup to the first subgroup....” Similarly, independent claims 142 recites, “wherein the targeted advertisements transmitted to the first subgroup include only targeted advertisements corresponding to the first subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Monteiro is improper and does not teach or suggest all features of independent claims 141 and 142. Accordingly, independent claims 141 and 142 are believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Independent claim 172 recites, “transmitting the first targeted advertisement to clients of the first subgroup, wherein the first subgroup receives targeted advertisements corresponding only to the first subgroup; transmitting the second targeted advertisement to the clients of the second subgroup, wherein the second subgroup receives targeted advertisements corresponding only to the second subgroup...” Similarly, independent claim 174 recites, “transmitting to the first subgroup, the targeted advertisement selected for the first subgroup, wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup, and transmitting to the second subgroup, the targeted advertisement selected for the second subgroup, wherein the second subgroup does not receive targeted advertisements corresponding to any other subgroup...” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Monteiro is improper and does not teach or suggest all features of independent claims 172 and 174. Accordingly, independent claims 172 and 174 are believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Independent claim 175 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup” and “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and the combination of Bryant, Hjelsvold, and Monteiro does not teach or suggest all features of independent claim 175. Accordingly,

independent claim 175 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

With respect to independent claim 178, the Examiner has taken Official Notice (see page 16 of the Office Action) that it was “well known in the art to implement channels using the DOCSIS standard so as to allow interoperability.” However, Applicants disagree that there are “facts outside of the record which are capable of instant and unquestionable demonstration as being ‘well-known’ in the art,” as required by M.P.E.P. §2144.03, which would support an Examiner’s finding of Official Notice.

To the extent that the Examiner’s taking of Official Notice may be applied to any of the pending claims, Applicants respectfully traverse the Examiner’s taking of Official Notice, and respectfully request that the Examiner support the taking of Official Notice by producing a relevant reference that shows/teaches implementing channels using the DOCSIS standard so as to allow interoperability, and that the Examiner identify a specific teaching in the reference to support a combination with Bryant.

Independent claim 178 recites, “transmitting a first targeted advertisement to a first subgroup...the first subgroup receives targeted advertisements corresponding only to the first subgroup; and transmitting a second targeted advertisement to a second subgroup of client receivers...the second subgroup receives targeted advertisements corresponding only to the second subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and the combination of Bryant, Hjelsvold, and Monteiro does not teach or suggest all features of independent claim 178. Accordingly, independent claim 178 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Independent claim 182 recites, “forming at least a first subgroup and a second subgroup...combining the signal containing the requested content material and the first set of targeted advertisements to form a first presentation stream, wherein the first presentation stream contains advertisements only included in the first set of targeted advertisements; combining the signal containing the requested content material and the

second set of targeted advertisements to create a second presentation stream wherein the second presentation stream contains advertisements only included in the second set of targeted advertisements; transmitting the first presentation stream to the first subgroup; and transmitting the second presentation stream to the second subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and the combination of Bryant, Hjelsvold, and Monteiro does not teach or suggest all features of independent claim 182. Accordingly, independent claim 182 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Independent claim 196 recites, “transmitting the first presentation stream to the first subgroup, wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup; and transmitting the second presentation stream to the second subgroup, wherein the second subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant and Hjelsvold is improper and the combination of Bryant, Hjelsvold, and Monteiro does not teach or suggest all features of independent claim 196. Accordingly, independent claim 196 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Independent claim 197 recites “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup” and “wherein the first subgroup does not receive targeted advertisements corresponding to any other subgroup.” For similar reasons discussed above, Applicants respectfully submit that the combination of Bryant, Hjelsvold, and Monteiro is improper and does not teach or suggest all features of independent claim 197. Accordingly, independent claim 197 is believed to be allowable over the combination of Bryant, Hjelsvold, and Monteiro.

Dependent claims 120, 139-140, 152, 166, 173, 176-177, 179-181, 183-191, 193-195 and 198-199 are believed to be allowable at least by their dependency on their respective independent claim. Reconsideration and withdrawal of the Examiner’s

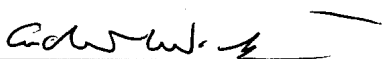
rejection of claims 120, 121, 139-142, 145, 152, 153, 166, 172-191, and 193-199 are respectfully requested.

*Conclusion*

In view of the foregoing remarks, Applicants respectfully submit that the Examiner's rejections have been overcome, and that the application, including claims 117-199, is in condition for allowance. Reconsideration and withdrawal of the Examiner's rejections and an early Notice of Allowance are respectfully requested.

Respectfully submitted,

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